

AMENDMENT NO. 2
MEMORANDUM OF UNDERSTANDING
FOR JOINT SUBMISSION
TO THE BOARD OF SUPERVISORS
REGARDING THE
FRINGE BENEFITS

THIS AMENDMENT NO. 2 TO THE MEMORANDUM OF UNDERSTANDING made
and entered into this 13th day of June 2017,

BY AND BETWEEN

Authorized Management Representative
(hereinafter referred to as "Management")
of the County of Los Angeles (hereinafter
referred to as "County")

AND

SEIU, Local 721, CTW, CLC, (hereinafter
referred to as "Union")

WHEREAS, on the 8th day of December 2015, the parties entered into a
Memorandum of Understanding regarding Fringe Benefits, in which this Memorandum
of Understanding was subsequently approved and ordered implemented by the
County's Board of Supervisors; and

WHEREAS, as a result of mutual agreement, the parties desire to amend said
Memorandum of Understanding as set forth hereafter:

NOW, THEREFORE, the parties agree as follows:

1. Amend Sections 1, 2, and 3 of Article 5, Retirement, as appended hereto.
2. This Amendment No. 2 to said Memorandum of Understanding constitutes a mutual recommendation to be jointly submitted to the County's Board of Supervisors and this Amendment No. 2 will be effective when and if approved and implemented by said Board of Supervisors, in the same manner as provided in Article 2, which is applicable to the implementation of the original Memorandum of Understanding.
3. Except as herein specifically amended, each and every other provision of said Memorandum of Understanding shall continue to remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representative to execute this Amendment No. 2 on the day, month and year first above written.

SEIU, LOCAL 721, CTW, CLC
AUTHORIZED REPRESENTATIVE

By Bob Schoonover
BOB SCHOONOVER
President

COUNTY OF LOS ANGELES
AUTHORIZED MANAGEMENT
REPRESENTATIVE

By Sachi A. Hamai
SACHI A. HAMAI
Chief Executive Officer

TO BE JOINTLY SUBMITTED TO THE COUNTY BOARD OF SUPERVISORS

ARTICLE 5 RETIREMENTSection 1.

The parties agree to recommend jointly to the County's Board of Supervisors that pursuant to Section 31581.1 of the California Government Code, said Board adopt a resolution that, effective July 1, 2017, and for the term of this agreement only, provides that the County shall pay to the Retirement Fund the amount necessary which, based on actuarial determination, is sufficient to fund the difference between:

- a. The employee contributions that would be paid to said Retirement Fund during the term of this agreement, if the employee contribution rates set forth in the Fringe Benefit MOU costs based on the June 30, 2016, Actuarial Valuation dated February 21, 2017, by Milliman USA, were implemented, and
- b. The employee contributions that would be paid to said Retirement Fund during the term of this agreement, if the employee contribution rates set forth in Section 2 of this Article, were implemented in lieu of the contribution rates set forth in said Fringe Benefit MOU costs, based on June 30, 2016 Actuarial Valuation.

Section 2.

The parties agree that, contingent upon action by the Board of Supervisors, to adopt a resolution to implement the provisions of Section 1 of this Article, the negotiated employee contribution rates for the term of this agreement for employees who entered the Los Angeles County Employees Retirement Association prior to October 1, 1978, shall be as follows; provided, however, such contribution rates shall not apply to employees who are covered by the optional non-contributory plan (hereinafter referred to as Plan E) made operative for General Members of said Retirement Association on and after January 4, 1982.

1. The negotiated employee contribution rates listed below shall apply to the retirement plan for employees who became General Members of the Los Angeles County Employees Retirement Association on or before August 31, 1977, (hereinafter referred to as Plan A for General Members):

GENERAL MEMBERS – RETIREMENT PLAN A
Negotiated Employee Contribution Rates
Effective July 1, 2017

<u>NEAREST YEAR OF AGE AT MEMBERSHIP</u>	<u>EMPLOYEE CONTRIBUTION RATE</u>
16	4.14%
17	4.20%
18	4.25%
19	4.30%
20	4.35%
21	4.39%
22	4.47%
23	4.52%
24	4.58%
25	4.62%
26	4.71%
27	4.79%
28	4.93%
29	5.00%
30	5.11%
31	5.27%
32	5.37%
33	5.53%
34	5.68%
35	5.88%
36	6.07%
37	6.26%
38	6.47%
39	6.65%
40	6.86%
41	7.07%
42	7.29%
43	7.50%
44	7.69%
45	7.90%
46	8.11%
47	8.31%
48	8.52%
49	8.65%
50	8.74%

**NEAREST YEAR OF AGE
AT MEMBERSHIP****EMPLOYEE CONTRIBUTION RATE**

51
52 & above

8.79%
8.79%

2. The negotiated employee contribution rates listed below shall apply to the retirement plan for employees who became General Members of the Los Angeles County Employees Retirement Association between September 1, 1977, and September 30, 1978, (hereinafter referred to as Plan B for General Members):

GENERAL MEMBERS – RETIREMENT PLAN B

Negotiated Employee Contribution Rates

Effective July 1, 2017

**NEAREST YEAR OF AGE
AT MEMBERSHIP****EMPLOYEE CONTRIBUTION RATE**

16	6.02%
17	6.16%
18	6.30%
19	6.43%
20	6.58%
21	6.73%
22	6.88%
23	7.04%
24	7.19%
25	7.35%
26	7.51%
27	7.69%
28	7.86%
29	8.03%
30	8.22%
31	8.41%
32	8.59%
33	8.79%
34	8.99%
35	9.19%
36	9.41%
37	9.62%
38	9.83%
39	10.05%
40	10.26%
41	10.49%
42	10.70%
43	10.91%
44	11.12%
45	11.32%
46	11.50%
47	11.69%
48	11.86%
49	12.03%

**NEAREST YEAR OF AGE
AT MEMBERSHIP****EMPLOYEE CONTRIBUTION RATE**

50	12.14%
51	12.21%
52 & above	12.24%

Section 3.

The parties further agree that, for the term of this agreement, the employee contribution rates listed below shall apply to the retirement plan for employees who became General Members of the Los Angeles County Employees Retirement Association between October 1, 1978, and May 31, 1979 (hereinafter referred to as Plan C for General Members), and, to the retirement plan for employees who became General Members of said Retirement Association between June 1, 1979, and December 31, 2012 (hereinafter referred to as Plan D for General Members), or who are otherwise eligible to redeposit into Plan D or entitled to reciprocal membership in Plan D, pursuant to reciprocity provisions of said Retirement Association; provided, however, such contribution rates shall not apply to employees who are covered by Plan E.

GENERAL MEMBERS – RETIREMENT PLAN C
 Negotiated Employee Contribution Rates
 Effective July 1, 2017

<u>NEAREST YEAR OF AGE AT MEMBERSHIP</u>	<u>EMPLOYEE CONTRIBUTION RATE</u>
16	5.17%
17	5.28%
18	5.41%
19	5.53%
20	5.66%
21	5.78%
22	5.91%
23	6.05%
24	6.19%
25	6.32%
26	6.46%
27	6.61%
28	6.75%
29	6.91%
30	7.06%
31	7.21%
32	7.38%
33	7.54%
34	7.72%
35	7.89%
36	8.07%
37	8.24%
38	8.43%
39	8.63%
40	8.83%
41	9.03%
42	9.23%
43	9.45%
44	9.65%
45	9.86%
46	10.07%
47	10.28%
48	10.48%
49	10.68%
50	10.86%

NEAREST YEAR OF AGE AT MEMBERSHIP	EMPLOYEE CONTRIBUTION RATE
51	11.05%
52	11.23%
53	11.39%
54	11.54%
55	11.66%
56	11.73%
57 & above	11.74%

GENERAL MEMBERS – RETIREMENT PLAN D
Negotiated Employee Contribution Rates
Effective July 1, 2017

<u>NEAREST YEAR OF AGE AT MEMBERSHIP</u>	<u>EMPLOYEE CONTRIBUTION RATE</u>
16	5.13%
17	5.24%
18	5.37%
19	5.49%
20	5.61%
21	5.74%
22	5.86%
23	6.00%
24	6.14%
25	6.27%
26	6.41%
27	6.56%
28	6.70%
29	6.86%
30	7.01%
31	7.16%
32	7.32%
33	7.48%
34	7.66%
35	7.83%
36	8.00%
37	8.18%
38	8.37%
39	8.56%
40	8.76%
41	8.96%
42	9.16%
43	9.37%
44	9.57%
45	9.78%
46	10.00%
47	10.20%
48	10.39%
49	10.59%
50	10.78%

**NEAREST YEAR OF AGE
AT MEMBERSHIP****EMPLOYEE CONTRIBUTION RATE**

51	10.97%
52	11.14%
53	11.30%
54	11.45%
55	11.57%
56	11.64%
57 & above	11.65%